

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
NEW ALBANY DIVISION

In re: ) Chapter 11  
 )  
EASTERN LIVESTOCK CO., LLC, ) Case No. 10-93904-BHL-11  
 )  
Debtor. )

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**MOTION TO COMPROMISE AND NOTICE OF OBJECTION DEADLINE**

James A. Knauer, as chapter 11 trustee (the "Trustee") for Eastern Livestock Co., LLC (the "Debtor"), hereby moves the Court, pursuant to 11 U.S.C. 9019(a), to approve the compromise entered into between the Trustee and Heritage Feeders, L.P. In support thereof, the Trustee states as follows:

1. In July and August 2010, Debtor and Heritage entered into a series of cattle sales contracts wherein Heritage agreed to purchase cattle from the Debtor. The Debtor unperformed some of the contracts and did perform others. As a result, the Debtor is owed monies by Heritage and Heritage has certain offsets and costs related to the unperformed contracts.
2. After applying the rights of recoupment and setoff of the debts between Debtor and Heritage regarding the cattle sales contracts, Heritage and the Debtor agree that Heritage owes the Debtor a net total amount of \$284,546.73, calculated as follows:

Cattle sales contract PO #3663S

|   |                      |
|---|----------------------|
| Amount owed for cattle delivered less down payment  |                      |
| already paid at \$30 per head                       | \$395,658.18         |
| Less remaining down payment on cattle not delivered | (\$36,030.00)        |
| Less cost to replace cattle not delivered           | <u>(\$30,081.45)</u> |
| Net amount owed on PO #3663S                        | \$329,546.73         |

Cattle sales contract PO #03693S

|                                      |               |
|--------------------------------------|---------------|
| Remaining down payment on PO #03693S | (\$22,500.00) |
|--------------------------------------|---------------|

Cattle sales contract PO #03694S

|                                      |               |
|--------------------------------------|---------------|
| Remaining down payment on PO #03694S | (\$22,500.00) |
|--------------------------------------|---------------|

|                       |              |
|-----------------------|--------------|
| Net due from Heritage | \$284,546.73 |
|-----------------------|--------------|

NOTICE IS GIVEN that any objection must be filed with the Bankruptcy Clerk within **21 days** from date of service (October 19, 2012). Those not required or not permitted to file electronically must deliver any objection by U.S. mail, courier, overnight/express mail, or in person at:

Clerk, U.S. Bankruptcy Court  
110 U.S. Courthouse  
121 W. Spring St.  
New Albany, IN 47150

The objecting party must ensure delivery of the objection to the party filing the motion. **If an objection is NOT timely filed, the requested relief may be granted.**

WHEREFORE, the Trustee moves the Court for an order approving the compromise as filed in this matter.

FAEGRE BAKER DANIELS LLP

By: /s/ Terry E. Hall

*Counsel for James A. Knauer, Chapter 11 Trustee*

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